



NEWS RELEASE

**STATE BOARD
OF EQUALIZATION**

450 N Street
Sacramento
California 95814

JOHN CHIANG
Chairman, BOE

RAMON J. HIRSIG
Executive Director

FOR IMMEDIATE RELEASE

NR# 57-C
Date: August 29, 2005
Contact: Anita Gore
Communications Office
(916) 327-8988
Website: <http://www.boe.ca.gov>

CHIANG ANNOUNCES AMNESTY PASSES \$500 MILLION MILESTONE

John Chiang, Chairman of the State Board of Equalization (BOE), today announced that over \$500 million in sales and use tax has been collected through the tax amnesty program.

“Accelerated revenue,” – money that would likely have been collected in later years – totaled \$390 million. A surprisingly large sum of \$110 million came from “new money;” revenue that would not have been collected without the amnesty program.

“The ‘new money’ signals the success of the amnesty program, because the dollars represent new revenue and new filers,” said Chairman Chiang. “A major goal of the program was to get more taxpayers reporting – to get them into the system and to bring them into compliance with California law.”

Approximately \$310 million in additional installment payments are promised by the end of June 2006.

BOE was originally projected to collect \$115 million through the program. However, the participation of some of California’s largest taxpayers, extensive outreach, and clear guidance to the public helped the BOE exceed expectations.

The Tax Amnesty Program allowed taxpayers to correct past errors of unreported and unpaid sales and use tax – without penalty – for reporting periods that began prior to January 1, 2003. Over 11,500 applications were received during the application period, which ended March 31, 2005.

Chairman John Chiang, of Los Angeles, was elected to his first term as Fourth District Member on the State Board of Equalization in 1998, and re-elected in 2002. He was named Chair of the Board in December 2004. He also presided as Chair in 2002.

The five-member Board of Equalization is a publicly elected tax board. The Board collects more than \$44 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and plays a significant role in the assessment and administration of property taxes.

Other Board Members include Betty T. Yee of San Francisco, Acting Member, First District; Bill Leonard of Sacramento/Ontario, Second District; Claude Parrish of Long Beach, Third District; and State Controller Steve Westly.

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